



February 27, 2020

Transportation Committee  
210 Capitol Ave.  
Hartford, CT 06106

**RE: Testimony regarding SB 216 An Act Concerning a Study by the Department of Motor Vehicles of Peer-to-Peer Car-Sharing Services**

Dear Chairman Lemar, Chairman Leone and Members of the Committee,

As the largest peer-to-peer car sharing marketplace, Turo provides the opportunity for car owners ("hosts") to share their cars with their neighbors or with visitors to their communities. Hosts earn extra income from the sharing of their own assets to offset the high costs of car ownership or lessen the burden of credit card debt, student loans, or even medical bills. In Connecticut, over 2,100 of your constituents have signed up to host a car on Turo.

Guests, who are also often local, enjoy the opportunity to choose an exact make, model, and price point to suit their specific needs or take them on their next adventure. Over 86,000 Connecticut residents have already signed up to use Turo. Hosts and guests are directly connected via the Turo app or website, and make arrangements where the host, not Turo, decides pricing, mileage, delivery, and any extras. The platform charges a percentage of the transaction, often around 15%-25%, and provides the insurance protections required by law.

Although we do not oppose SB 216, we would encourage a full examination of the car rental industry to be placed into the study.

Car rental and peer-to-peer car sharing are fundamentally two different industries even though car rental companies will try to argue we are the same. If we want to 'level the playing field' or achieve 'fairness', the study should also look into the taxation of car rental companies. Big traditional rental companies benefit from more than \$4 billion in annual tax exemptions in the United States. In Connecticut, car rental companies enjoy a tax exemption that accumulates to \$60 million annually. This significant tax exemption is acquired by the car rental company when they buy vehicles -- they pay NO sales tax on the purchase of the vehicles. Whereas, when a person in Connecticut purchases a vehicle, the state is collecting a 6.35% tax on the sale.

In addition to their tax exemption, Turo would encourage an expansion of the scope of the study to include an evaluation of the vehicle licensing fee (VLF) for car rentals. Right now, the car rental industry retains money on the recovery of the license fee up to \$9 million in Connecticut.

On behalf of Turo I urge the committee to expand the scope of SB216 into the car rental industry. Thank you for your consideration.

Best Regards,  
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